where the projects have been sanctioned. Section 14 of Electricity Act, 2003 provides that:

"The Appropriate Commission may, on an application made to it under section 15, grant a licence to any person—

(a) to transmit electricity as a transmission licensee; or

(b) to distribute electricity as a distribution licensee; or

(c) to undertake trading in electricity as an electricity trader;

in any area as may be specified in the licence".

Fee/Commission to the franchisee will be on commercial basis and selection of the franchisee will depend on the decision of the State Government and State Utility.

Under Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY), 90% capital subsidy would be provided to the States/Union Territories for overall cost of the projects and the balance 10% shall be provided as loan on soft terms by REC. For Phase-I of the scheme (2005-06 and 2006-07) Government has approved Rs. 5000 crore as capital subsidy. The State-wise subsidy under the scheme is on pro-rata basis.

**Hike in power rates after privatisation in Delhi**

†2479. SHRI PYARELAL KHANDELWAL: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that following privatization of power thare has been a steep hike in the rates particularly in Delhi since the distribution system was entirely placed in private hands;

(b) whether it is also a fact that people are facing problems due to privatization;

(c) if so, the efforts being made by Government to save people from exploitation by the said companies;

(d) whether Government are aware of the problems/troubles caused by the situation;

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†Original notice of the question was received in Hindi.

(e) if so, the details thereof; and

(f) if not, the reasons for not keeping a check on the arbitrary functioning of private companies?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a) The determination of tariff as well as regulation of the distribution licensees is the statutory function of the State Electricity Regulatory Commission. The Delhi Electricity Regulatory Commission in its tariff order for the year 2005-06 has increased the average tariff for consumers in Delhi by about 6.6%. There is no increase in rates for J.J. Cluster who are charged at flat rate basis. The percentage increase in tariff per unit of electricity for each of the consumer category is given in the Statement (*See* below).

(b) to (f) Distribution was privatized in Delhi by the Government of NCT of Delhi in 2002. The Delhi Electricity Regulatory Commission (DERC) has informed that has been improvement in the quality of supply and also in providing facilities to consumers as follows:

* Load shedding has gone down to 0.85% of the Input MUs in 2004-05 compared to 2.32% of the input MUs at the time of privatization.
* The distribution transformer failure rate has been reduced to less that 1% today from 15% at the time of privatization.
* There has been sufficient addition to the infrastructure such as power transformers, EHV cables, installation of distribution transformers, installation of 11 KV feeders, installation of shunt capacitors etc.
* There has been a steady improvement in the PLF of the generating units in Delhi. The PLF in 2001-02 was 46.93% and in 2004-05, it was 65.53%.
* Transmission losses of Delhi Transco Limited has been reduced from 3.84% during 2002-03 to 1.3% during 2004-05.
* The average response time for attending to breakdowns has improved considerably.
* Number of options available for payment of bills have increased manifold.
* There has been a reduction in Aggregate Technical & Commercial

(AT&C) loss levels for all the three Discoms. Details of the targets fixed and achieved are tabulated as under:

| | BSES Rajdhani | | BSES Yamuna | | North Delhi Power Ltd. | |
|---|---|---|---|---|---|---|
| Opening level as per DERC | 48.10 | | 57.20 | | 48.10 | |
| Year | Target level | Achieved | Target level | Acheved | Target level | Achieved |
| 2002-03 | 47.55 | 47.40 | 56.45 | 56.45 | 47.60 | 47.79 |
| 2003-04 | 46.00 | 45.06 | 54.70 | 54.29 | 45.35 | 44.86 |
| 2004-05 | 42.70 | 40.64 | 50.70 | 50.12 | 40.85 | 33.79 |

The Distribution Companies have set up their Consumer Grievance Redressal Forums (CGRFs) in accordance with the Regulations framed by the DERC. These Forums are in operation since August, 2004. In addition to the Forums, the DERC has also appointed the Electricity Ombudsman in August, 2004 which is the appellate Body for orders passed by the Forums. The CGRFs and Eletricity Ombudsman hear all cases except those relating to theft, unauthorized use of electricity, etc. Till end of July, 2005, about 1550 complaints have been received in the Forums, out of which 1300 have been disposed off. Of these complaints, a large number of complaints related to problems of billing and metering.

The DERC and the Discoms have separately conducted meter testing drives. More than 91% of the meter tested were functioning with the defined limits. The latest meter testing drive was conducted in association with the Central Power Research Institute and in the BSES areas till mid June, 2005. 515 meters were tested and all were found to be within limits. For NDPL area, till end of July, 2005, 45 meters were tested and all were found to be within limits except one meter which was found to be slow.

DERC has framed the Metering and Billing Regulations in August, 2002 which lays down specific norms which are to be followed by the licensees in the case of new connections, procedures to be followed for replacement of meters, etc. and provide for imposition of penalties for isseus, such as, delay in providing new connections, delay in raising the first bill, delay in transfer of ownership, delay in load reduction, etc. Under the provisions of the Electricity Act, 2003, contravention of the regulations is a punishable offence.

DERC has imposed penalties/given compensation in three cases. The Forums have also recently forwarded five complaints to the Commission for imposition of penalties under Section 142 of the Electricity Act, 2003 because of violation of Regulations framed by the Commission. These cases are under process in the Commission.

On account of the poor performance shown by two of the companies with respect to their Capital Expenditure programme during 2003-04, an amount of Rs.1 crore each was deducted from their Annual Revenue Requirement (ARR) for 2004-05 by DERC.

To enable the regular monitoring of redressal of grievances of consumers, the Electricity Rules 2005 notified by the Central Government prescribes that the Ombudsman shall prepare a report on a six monthly basis giving details of the nature of the grievances of the consumer dealt by the Ombudsman, the response of the Licensees in the redressal of the grievances and the opinion of the Ombudsman on the Licensee's compliance of the standards of performance as specified by the Commission under section 57 of the Act during the preceding six months. This report under sub-clause (a) above shall be forwarded to the State Commission and the state Government within 45 days after the end of the relevant period of six months.

***Statement***

*Table showing increase in tariff for each sector*

| Category | (Units/per month) | %increase | Remarks |
|---|---|---|---|
| Domestic | 0 to 200 units | 9.09% | over all around 10% |
| | 200 to 400 units | 11.80% | |
| | Above 400 units | 12.20% | |
| | Other (SPD) | 10.93% | |
| Non-domestic | Less than 100 KW | 4.9% | |
| | More than 100 KW | 3.6% | |
| Industrial | Less than 100 KW | 5.2% | |
| | More than 100 KW | 3.7% | |
| Agricultural | | 19.8% | |
| Railway Traction | | — | No change |
| DMRC | | 8.6% | |
| Average | | 6.6% | |